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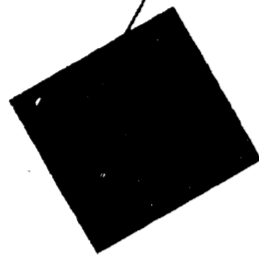
EASTERN

F.O.
371

1947

PALESTINE

File No. 5810



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Reference:-

FO

371 / 61937

**CLOSED
UNTIL**

61937

1978

1947

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E 5810

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PALESTINE

Registry Number

FROM

No.

Dated

Received in Registry

E 5810 / 20/11

E.O.

Minute

10 weeks

17 June

Prob Land Company
to which record of association shown
by a letter and the names of the company
has been provided of New Land Company
to operate in Palestine for benefit of the
Arabs was discussed. It was found that records
act. Zouat under name of [unclear] on [unclear]
in [unclear] card.

Last Paper.

(Minutes.)

See within

References.

H.B. 37
17

In P.P. E.O. of 798 being 14/7

H.B. 187
17

(Print.)

61937

(How disposed of.)

D.P. Higham
E.O.
June 30

(Action completed.)

(Index)

[Signature]
[Signature]

Next Paper

E6740

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References:-

FO

371 / 61937

Mr. Butler
Mr. Garrahan

The Arab Land Company

Dr. Mohammed Ali Namazi Bey of the Egyptian Delegation in London for discussions on sterling balances came to see Mr. N. Butler to-day.

He said that the Arab League decided last year to form a Land Company to operate in Palestine for the benefit of the Arabs (here Mr. Butler interposed to enquire whether such decisions of the Arab League were binding on the member governments, to which Namazi Bey replied that they were if ratified by the individual governments). Namazi Bey said that it was agreed that the Company should be a Société Anonyme Egyptienne registered in Cairo with a capital of one million Egyptian pounds, of which 52 per cent would be held by Egyptians and the remainder by nationals of other Arab countries, and a Reserve Fund of (?) quarter million pounds). He then described the objectives of the Company as set out on page 2 of the attached document and added that the governments of the Arab League were to guarantee the shareholders 5 per cent on their capital for ten years.

Namazi Bey said that Hafez Safafi Pasha, the chairman of the Company, would shortly submit to the High Commissioner for Palestine a request for permission to operate in Palestine. This was the normal procedure for any new company wishing to start business there and permission was given at the absolute discretion of the High Commissioner. Since any delay in granting permission, or refusal to permit the Company to operate, would have a very bad reaction in Egypt and other countries, for obvious reasons, it would be desirable for the ground to be prepared beforehand, for permission to be granted. Hafez Safafi Pasha was therefore going to see our Ambassador in Cairo to ask him to put in a word with the High Commissioner. Similarly, he (Namazi Bey) was asking the Foreign Office to say a word to the Colonial Office to the same effect. The Company through its agricultural operations would contribute towards raising the standard of life of Arabs in Palestine.

Mr. Butler said that he knew that in principle the Colonial Office were very anxious to raise the standard of living in Palestine.

J. H. Butler

17th June, 1947.

I think that there is Euston

rather

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NOTHING TO BE WRITTEN IN THIS MARGIN.

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Reference: -
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Minutes.

rather than Egyptian Dept, and
that a copy of this record with
the Coy's Dec of Association should
be passed to C.O. with a request
to be kept informed as to further
developments.

MB

17/vi

Letter to C.O. accordingly.

H23. 27
17

NOTHING TO BE WRITTEN IN THIS MARGIN.

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OUT FILE

5

Foreign Office, S.W.1.

June 30th, 1947.

E5810/5810/31

Dear Higham,

I enclose a copy of the record made of a meeting between Sir Nevile Butler and a member of the Egyptian Financial Delegation, on the subject of the Arab Land Company which has recently been formed with the object of countering Zionist inducements to Palestinian Arabs to sell their land. I also enclose a copy of the Company's Preliminary Deed of Association.

You will see that the Company intend to submit to the High Commissioner a request for permission to operate in Palestine. We should like to be kept informed as to further developments.

Yours sincerely,

HJ3

J.D. Higham, Esq.,
Colonial Office.

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16

The Arab Land Company.

(Record of conversation between Sir Nevile
Butler and Mohammed Ali Namazi Bey)

Dr. Mohammed Ali Namazi Bey of the Egyptian Delegation in London for discussions on sterling balances came to see Mr. N. Butler today.

He said that the Arab League decided last year to form a Land Company to operate in Palestine for the benefit of the Arabs (here Mr. N. Butler interposed to enquire whether such decisions of the Arab League were binding on the member governments; to which Namazi Bey replied that they were if ratified by the individual governments). Namazi Bey said that it was agreed that the Company should be a Société Anonyme Egyptienne registered in Cairo with a capital of one million Egyptian pounds, of which 52 per cent would be held by Egyptians and the remainder by nationals of other Arab countries, and a Reserve Fund of (?) quarter million pounds. He then described the objectives of the Company as set out on page 2 of the attached document and added that the governments of the Arab League were to guarantee the shareholders 5 per cent on their capital for ten years.

Namazi Bey said that Hafez Afifi Pasha, the chairman of the Company, would shortly submit to the High Commissioner for Palestine a request for permission to operate in Palestine. This was the normal procedure for any new company wishing to start business there and permission was given at the absolute discretion of the High Commissioner. Since any delay in granting permission or refusal to permit the Company to operate, would have a very bad reaction in Egypt and other countries, for obvious reasons, it would be desirable for the ground to be prepared beforehand. Hafez Afifi Pasha was therefore going to see our Ambassador in Cairo to ask him to put in a word with the High Commissioner. Similarly, he (Namazi Bey) was asking the Foreign Office to say a word to the Colonial Office to the same effect. The Company through its agricultural operations would contribute towards raising the standard of life of Arabs in Palestine.

Mr. N. Butler said that he knew that in principle the Colonial Office were very anxious to raise the standard of living of Arabs in Palestine.

(Sgd) D.M.H. Riches

17th June, 1947.

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76513/47.

7
p.w.

Saving.

From the Secretary of State for the Colonies.

To the Officer Administering the Government of PALESTINE

Date 12 July, 1947.

No. 798 Saving.

5910 / 5810 / 71

INDEXED
INDEXED

Arab Land Company

I enclose for your information a record of a conversation in London between Sir N. Butler, Under Secretary of State, Foreign Office, and Dr. Mohammed Ali Hamazi Bey on the subject of an Arab Land Company which has been sponsored by the Arab League to aid Arab farmers in Palestine. One of its main purposes would seem to be to counter Zionist inducements to Palestinian Arabs to sell their lands. I also enclose a copy of the company's preliminary deed of Association.

2. You will, of course, note that the Chairman of the Company intends shortly to approach you for permission to operate in Palestine.

3. Grateful if you would keep me informed of developments.

Colonial Office Reference No. 76513/47 ENC. II.

With the compliments of the U.S. of S.
Colonial Office.

Date 14.7.47

Reference _____

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61937

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E

8

E 6740

PALESTINE

28 JUL 1947

Registry Number

E 6740 / ~~6740~~ / 31. 5810

FROM

Mr Mc Dermott
Cairo

No.

99/8/47

Dated

23 July

Received in Registry

28 July

Arab Land Company

HAFIZ AFIFI PASHA has left translation of preliminary deed of association & statutes of Arab Land Company.

Last Paper.

E 5810

References.

(Print.)

(How disposed of.)

(H) Mr Higham C.O.
5 Aug.

(Action completed.)

G.C.M. 26/8

(Index.)

14/9/48

Next Paper.

8238

(Minutes.)

Letter to C.O.

b.v. 25/8

25/8

In P.P. P.O. Ad 963 saving 2/8

25/8

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Reference:-
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371 / 61937

SR



99/8/47

BRITISH EMBASSY,
CAIRO.

E 6740

3rd July, 1947.

23 JUL 1947

Dear Department,

We have had a visit from Hafez Afifi Pasha who left with us an English translation of the preliminary deed of association and statutes of the new "Arab Land Company". The main purpose of this company would be to fulfil the function for the Arabs of Palestine of an agricultural Bank. Hafez Afifi is President of the first Board of Directors.

He explained that Namazi Bey of the Egyptian Ministry of Finance, when in London recently for the sterling negotiations, spoke to either the Secretary of State for the Colonies or the Under-Secretary about this project and, it is believed, left a copy of the preliminary deed of association and statutes with the Colonial Office. Namazi Bey is understood to have been told that the Colonial Office had no objection in principle to the project but would be obtaining the views of the High Commissioner for Palestine upon it.

Hafez Afifi Pasha will probably soon be asking what His Majesty's Government's views are, so could we please be informed as soon as convenient of the decision?

Yours ever,

GL McDermott.

Egyptian Department,
Foreign Office,
London, S.W.1.

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FO 371 / 61937
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NOTHING TO BE WRITTEN IN THIS MARGIN.

3149 W.L. 26469/137 100m 9/46 (51) F.&S.

Registry
No. *E6740/5810/31*

Top Secret.
Secret.
Confidential.
Restricted.
Open.

*Draft. letter to
J.D.
Mr. Higham,
C.O.*

OUT FILE

52

10

*Dear Higham,
Please refer to my
letter no. E5810/5810/31 of
the 30th June, on the Arab
Land Company. I now enclose
a copy of a letter we have
had from Cairo on the same
subject. You will note that
they wish to be informed of
our views as soon as convenient.*

*H.B. 1/8
(Sgd.) L.F.L. Pyman
for H. Beeley.*

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1	1	2			

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Reference: **FO** 371 / 61937

OUT FILE

FOREIGN OFFICE, S.W.1.

5th August, 1947.

(E 6740/5810/31)

Dear Higham,

Please refer to my letter No. E 5810/5810/31 of the 30th June, on the Arab Land Company. I now enclose a copy of a letter we have had from Cairo on the same subject. You will note that they ask to be informed of our views as soon as convenient.

Yours sincerely,

(Sqd.) L. P. L. Ryman

for H. Bealey.

J.D. Higham, Esq.,
Colonial Office,

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Reference:-

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61937

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76513/47

Saving.

From the Secretary of State for the Colonies.

To the Officer Administering the Government of PALESTINE

Date 21 August 1947.

No. 963 Saving.

6740 / 5810.51 INDEXED
1947

PRIORITY

My saving telegram No. 798 of 12th July.
Arab Land Company.

I enclose a copy of a letter from the
British Embassy in Cairo to the Foreign Office
on this subject, Namazi Bey's conversation, to
which reference is made in this letter, was
presumably that with Sir. N. Butler of the
Foreign Office.

2. I shall be glad to learn whether you have
yet received any approach in regard to the
registration of this company in Palestine and
what attitude you would propose to adopt to
the project.

Colonial Office Reference No. 76513/47

With the compliments of the U.S. of S.
Colonial Office.

Date 21 8 47.

Reference (E 6740 / 5810 / 31)

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Reference: FO

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E 8238

PALESTINE

8 MP

Registry Number

E 8238/5810/31

FROM

B. K. A. A. A. A.

No.

Washington

Dated

200/358/47

Received in Registry

30 Aug
8 Sept.

Purchase of Palestine Land.

Discussed attempt made by Mr. Rosenblatt to purchase four acres of land near Haifa. Request refused by Palestine Administration on ground that it was within land prohibited to Jews. Mr. Rosenblatt has retained law firm to advise case before International Court.

Last Paper

6740

(Minutes.)

References

By Mr. Rosenblatt
N.A. Dept.

H.B. 879

(Print)

(How disposed of)

~~8/6/0~~
Sept 10th.

(Action completed)

J. E. M. 4

(Index)

[Signature]

Next Paper

9321

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Reference:-

FO

371 / 61937

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14

E 8233

BRITISH EMBASSY,
WASHINGTON 8, D. C.

Ref.200/358/47

August 30, 1947

Dear Department,

According to the press a former magistrate, named Bernard A. Rosenblatt, disclosed in New York on August 23rd that the law firm of Arnold, Fortas and Porter of Washington had been retained by him to place a Palestine land case before the International Court. This case arises, according to the Palcor News Agency, from an attempt made last February by Mr. Rosenblatt, who is a United States citizen, to purchase four acres of land near Haifa. According to the Agency, the Palestine administration refused to register the land in his name on the ground that it was within the zone where land purchases by Jews are prohibited under the land transfer regulations. The Agency then mentions Mr. Rosenblatt's appeals to the Palestine Supreme Court and to the Privy Council.

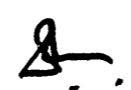
It appears that, as the International Court can only hear cases submitted by members of the United Nations who have accepted its jurisdiction, the law firm is now preparing to hand a petition backed by various legal arguments, to the State Department with the request that the United States Government take the matter to the International Court. Mr. Rosenblatt said that the petition would be in the State Department's hands in a few weeks time. The Near East Division do not appear to have heard anything about it as yet, but an enquiry is being made of the Department's legal advisers and we will report anything further of interest.

We are sending a copy of this letter to Jerusalem.

Eastern Department,
Foreign Office,
London, S. W. 1

Yours ever,

CHANCERY



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Reference:-
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371 / 61937

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E 9321

PALESTINE

Registry Number E 9321/5810/21.
 FROM I. Higham
 No. Colonial office
 Dated 46573/47
 Received in Registry 6 Oct
 8 -

Arab Land Company
 Refer to letter (E 5810/5810/21) re
 formation of Egypt of an Arab Land Co.
 Enclose copy of H/C's comments in
 an telegram 222 of 12 Sept.

Last Paper

8238

References

(Print)

(How disposed of)

rept. Alameiny
 Cairo
 Oct 25
 S/O. refile
 Oct 25

(Action completed)

14/10/48

(Indexed)

14/10/48

Next Paper

9981

(Minutes.)

Draft to Cairo

JB Oct. 16

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371 / 61937



The Church House, ¹⁶ *Caroline E*
Great Smith Street,
S.W.1.

6. October, 1947.

76513/47

My dear Voh

F. 9521

Please refer to Beeley's letter of 30th June concerning the formation in Egypt of an Arab Land Company designed to assist Arab smallholders in Palestine.

We have now received the High Commissioner's comments a copy of which I enclose for your information and also a copy of his telegram informing us that application has been made and that permission will be granted. As you will of course note the High Commissioner welcomes the project provided that politics do not play too large a part in its activities. The Company will be subject to the same legal limitations ~~as~~ under the Land Transfer Regulations as the Arab National Fund.

Since the Company has only just applied for registration it seems unlikely that it can start operations before the status of Palestine is fundamentally changed.

Yours sincerely,

John Higham

J.G.S. BEITH, ESQ.

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17
SAVING.

From the High Commissioner for Palestine.

To the Secretary of State for the Colonies. TOP SECRET Priority

Date. 12th September, 1947.

No 222 Top Secret ... Saving.

Repeated: H.M. Ambassador, Cairo No. 58 Secret Saving. TOP SECRET

Your savingram No. 963 of 21st August. Arab Land Company.

No approach has yet been made to me for the registration of the company in Palestine. On economic grounds I consider that its establishment is to be welcomed. Clearly its approach to its business will be influenced by considerations of local and possibly Arab League politics but provided it follows, broadly speaking, ordinary commercial practices, its operation in Palestine should be politically unobjectionable. In any event it would be inexpedient for this Government to appear to discountenance it. Accordingly, if application for registration is made, I should see no reason to withhold the consent required under Section 248 of the Companies Ordinance or the further approval, under Section 249 of the same Ordinance, which is required for companies one of whose objects is the acquisition and development of land in Palestine.

2. I observe that the shareholders are individuals or banks and, therefore, no difficulty arises in relation to Article 5 of the Mandate, the implications of which in relation to similar land-bank proposals were discussed in Sir John Shaw's despatch to H.M. Ambassador, Cairo of the 6th July, 1945 (a copy of which was sent to you under cover of third personal note, No. C.S. 647/5 of 27th July, 1945) and my telegram to the Ambassador of the 8th April, 1946, repeated to you as No. 494 Secret Saving.

3. It will be realised that I am considering the proposal in relation to existing political conditions only and, therefore, the Company's activities both in regard to the acquisition and holding of land, and also the lending of money on mortgage must be exercised within the limitations which have been imposed on other comparable institutions in respect of the requirements of the Land Transfers Regulations 1940.

4. In the first place this Government has adopted as a principle that no company, even though composed wholly of Palestinian Arab shareholders, can itself be regarded as "Palestinian Arab" for the purpose of those Regulations. Accordingly, transfer to companies of land within Zone A is prohibited, whatever the national composition of the shareholders. (It may be noted that this prohibition has been applied even to the Arab National Fund of Palestine.)

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Reference: **FO**

371 / 61937

ING.

From the High Commissioner for Palestine.

To the Secretary of State for the Colonies.

Date.....

No. 222 Saving. ^{70P} SECRET. Sheet No. 2.

5. As regards the acquisition of land in Zone B, transfers to a company may be granted or refused at the unfettered discretion of the High Commissioner, but the Explanatory Memorandum attached to the Regulations gives a directive as to the manner in which the High Commissioner's powers will be exercised generally. For convenience I repeat it here :

"Sanction to a transfer of land within Zone B by a Palestinian Arab will not ordinarily be granted unless the transfer can be shown to be either :-

- (i) for the purpose of consolidating, extending, or facilitating the irrigation of holdings already in the possession of the transferee or of his community, the land to be transferred being contiguous to such holdings; or
- (ii) for the purpose of enabling land held in divided shares by the transferor and the transferee to be parcellated; or
- (iii) in furtherance of some special scheme of development in the joint interests of both Arabs and Jews to which Government may have signified its approval".

It would not, in my opinion, be proper to permit the Arab Land Company to acquire land in Zone B save in accordance with the terms of this directive, unless perhaps in most exceptional circumstances.

6. The effect of the Land Transfers Regulations on the power of companies to lend money on mortgage against the security of land was considered some time ago by the High Commissioner in Council in relation to the Agricultural Mortgage Company of Palestine, which, as you are aware, is a Government-sponsored institution, and the High Commissioner decided that (a) applications to take mortgages in the two restricted zones should be considered on the merits of each individual case, and (b) that the Company should not be given either directly or through an Area holding company the right to buy in land mortgaged to them which is put up for sale in order to realise the security. I consider that the Arab Land Company could not be given a later latitude than the Agricultural Mortgage Company and accordingly its operations in regard to lending would be governed by these two conditions.

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INWARD TELEGRAM

TO THE SECRETARY OF STATE FOR THE COLONIES

Cypher (O.T.P.)

FROM PALESTINE (O.A.G.)

D. 27th September, 1947.
R. 27th " "

15.25 hrs.

1817
Number to follow Secret.

Addressed to S. of S.
Repeated by savingram to British
Embassy, Cairo, No. 627.

My savingram No. 222.

Arab Land Company.

Application for certificate under
Section 249 of Companies Ordinance has been made
and certificate is being granted.

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Reference:-

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371 / 61937

Registry
No.
E9321/5810/31

Draft
~~Top Secret.~~
~~Secret.~~
Confidential.
~~Restricted.~~
~~Open.~~

The Chancery,
Cairo.

NOTHING TO BE WRITTEN IN THIS MARGIN.

*Copy co.
refce.
Egyptian Dept.
first 10.28.10
(see E5810)
JB Oct. 16*

OUT FILE

20
FOREIGN OFFICE, S.W.1.

25 October 1947

Dear Chancery,

Please refer to MacDermott's letter
No. 99/8/47 of July 23rd about a proposed
new Arab Land Company.

2. You will now have received a
repetition of Jerusalem telegram No. 222
saving of September 12th, which explains
the view of the Government of Palestine.
The High Commissioner welcomes the project,
provided politics do not play too large a
part. The Company will be subject to the
same legal limitations under the Land
Transfer Regulations as the Arab National
Fund. Since, however, the Company has
only just applied for registration it seems
unlikely that it can start operations before
the status of Palestine is fundamentally
changed.

*Your cre
E Dept.
JB Oct. 20*

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Reference -
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371 / 61937

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21

OUT FILE

FOREIGN OFFICE, S.W. 1.

25th October, 1947.

(E 9321/5810/31)

CONFIDENTIAL

Dear Chancery,

Please refer to MacDermott's letter No. 99/8/47 of 23rd July about a proposed new Arab Land Company.

2. You will now have received a repetition of Jerusalem telegram No. 222 saving of 12th September, which explains the view of the Government of Palestine. The High Commissioner welcomes the project, provided politics do not play too large a part. The Company will be subject to the same legal limitations under the Land Transfer Regulations as the Arab National Fund. Since, however, the Company has only just applied for registration it seems unlikely that it can start operations before the status of Palestine is fundamentally changed.

Yours ever,

EASTERN DEPARTMENT

The Chancery,
British Embassy,
Cairo.

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1947

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E 9981

27 OCT

22

PALESTINE

Registry Number E 9981/5810/31
 FROM Mr. Speaight
 No. Embassy
 Dated Cairo
 Received 9/9/47
 in Registry 21 Oct
 27 -

Arab Land Boundary
 Refer Cairo letter 9/8/47 of 23 July (E 6740/5810/31) have now received Palestine file no 222. So far Mr. Speaight has not received the matter, ask whether he see any objection to being speaking to him on lines of paras 3, 4, 5, 6, of Palestine file referred to.

Last Paper

9321

References

(Print)

(How disposed of)

24) Wigram, P.O.
 (ref)
 ✓ 31 Oct.

(Action completed)

PEM 24/11

(Index)

[Handwritten signature]

Next Paper

10200

(Minutes.)

Copy co. (Mr. Wigram) re:pe.

E 9321

What reply?

Bu. Nov. 10

JB out. 27

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Reference: FO 371 / 61937

/LMB.

E 9581

BRITISH EMBASSY,

CAIRO.

99/9/47

27 OCT

21st October, 1947.

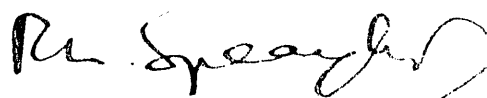
Dear Department,

With reference to our letter No.99/8/47 of July 23rd regarding the constitution of the new Arab Land Company, we have received a repetition of Jerusalem telegram No.222 of 12th September to the Colonial Office stating that no approach has yet been made to the Government of Palestine for the registration of the company in Palestine and containing various observations which seem relevant to Hafez Afifi Pasha's expected enquiry mentioned in our letter referred to above. So far Hafez Afifi Pasha has not pressed the matter but in any case we shall be glad to know whether you see any objection to our speaking to him on the lines of paragraphs 3, 4, 5 and 6 of Jerusalem telegram referred to above. If you approve this, is there anything else that we should add as regards the views of His Majesty's Government themselves?

It will no doubt interest you to know that the above-named company has now been formally constituted in Egypt by a decree published in the "Journal Officiel" of 1st September. The preliminary Deed of Association in the "Journal Officiel" is identical with the text given in the English translation supplied to us by Hafez Afifi Pasha, a copy of which is understood to have been given to the Colonial Office by Namazi Bey, except that the name of Prince Mohamed Abdul Halim Halim does not appear among the shareholders in the former version and the number and value of the shares subscribed by the Banque Misr are increased by the amount which it was intended to allot to the Prince. We have asked the Minister of Finance to supply further copies of the relevant issue of the "Journal Officiel" for communication to you and interested Middle East posts but they are not yet available.

We are sending copy of this letter to Jerusalem Secretariat.

Yours ever,



Egyptian Department,
Foreign Office,
London, S.W.1.

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E

24

1941

PALESTINE

E 10200
1 NOV

Registry Number E10200/5812/21
FROM Sir R Campbell
No. 6000
Dated 886
Received in Registry 24 Jan 1942

Arab Land Company
Refer to letter 99/8/47 (E 9981/5812/21)
enclosed copy of "Journal Officiel" of 1st
Sept in which is published a decree
constituting the Arab Land Company as a
Societe Anonyme Egyptienne.

Last Paper.
9981

(Minutes.)

copy to Mr. Higham (C.O.) less enclosure

References.

ref 29789
B.O.

[Signature]
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(Print.)

(How disposed of.)

8 Higham, C.O.
(ref)
5 Nov.

(Action completed.)
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14/11/48

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Next Paper.

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BRITISH EMBASSY,

CAIRO.

27th October, 1947.

Sir,

With reference to Jerusalem telegram No. 222 of 12th September to the Secretary of State for the Colonies and to Mr. Speaight's letter 99/9/47 of 21st October to the Egyptian Department, I have the honour to enclose a copy of the "Journal Officiel" of 1st September, 1947 in the supplement of which is published a decree constituting the Arab Land Company as a Société Anonyme Egyptienne.

2. The objects of the Company are specified in article 2 of the Statutes and in article 5 the capital of the company is fixed at L.E.1,000,000. Article 7 provides that holders of shares should be Arabs, subjects of member states of the Arab League. It will be noted that under Article 20 the first Board of Directors consist of a majority of Egyptians and that the Board of Directors shall always comprise at least three members of Egyptian nationality. The first Chairman of the Board of Directors is Dr. Hafez Afifi Pasha, who is Chairman of the Banque Misr.

3. I am sending copies of this despatch with enclosure to the High Commissioner for Palestine, His Majesty's Representatives at Baghdad, Beirut, Damascus, Jedda and Amman and to the British Middle East Office.

I have the honour to be
With the highest respect,
Sir,

Your most obedient, humble Servant,

Ronald Gunnball

The Right Honourable
Ernest Bevin, M.P.,
Foreign Office,
London, S.W.1.

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Décret

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Décret portant constitution d'une Société Anonyme Egyptienne sous la dénomination de: "The Arab Land Company"

Nous, Farouk I^{er}, Roi d'Egypte,

Vu l'acte préliminaire d'association passé sous seing privé au Caire, le 29 avril et les 1^{er}, 8 et 24 mai 1947, entre :

CHÉRIF SABRI PACHA, sujet égyptien, demeurant au Caire ;
 ALI MAHER PACHA, sujet égyptien, demeurant au Caire ;
 GAMIL MARDAM BEY, sujet syrien, demeurant à Damas, légalement représenté aux fins des présentes ;
 CHEIKH YOUSSEF YASSIN, ressortissant de l'Arabie Scoudite, demeurant à la Mecque, légalement représenté aux fins des présentes ;
 DR. HAFEZ AFIFI PACHA, sujet égyptien, demeurant au Caire ;
 AHMED HELMI PACHA, ressortissant de l'Arabie Scoudite, demeurant à Jérusalem ;
 ABDEL HAMID CHOUMAN, sujet palestinien, demeurant à Jérusalem ;
 MOHAMED ALI ALLOUBA PACHA, sujet égyptien, demeurant au Caire ;
 MAHMOUD CHOUKRI PACHA, sujet égyptien, demeurant au Caire ;
 TEWFIK DOSS PACHA, sujet égyptien, demeurant au Caire ;
 HASSAN KAMEL EL CHICHINI PACHA, sujet égyptien, demeurant au Caire ;
 MAHMOUD ABOUL FATH, sujet égyptien, demeurant au Caire ;
 MOHAMED FAHMY SOLIMAN BEY, sujet égyptien, demeurant au Caire ;
 HODA CHARAOUI, sujette égyptienne, demeurant au Caire ;
 ATTIYAT NAMAZI, sujette égyptienne, demeurant au Caire ;
 BAHIYA WAHBA, sujette égyptienne, demeurant au Caire ;
 ABDEL KADER BASH AYYAN, sujet irakien, demeurant à Baghdad ;
 MOHAMED ABDEL RAHMAN NOSSEIR, sujet égyptien, demeurant au Caire ;
 MOHAMED ATEF EL ATASSY, sujet syrien, demeurant à Damas, légalement représenté aux fins des présentes ;
 GAMAL EL HUSSEINY, sujet palestinien, demeurant à Jérusalem, légalement représenté aux fins des présentes ;
 NAGUIB CHALABI EL DJADER, sujet irakien, demeurant à Baghdad, légalement représenté aux fins des présentes ;
 MAHMOUD EL TABAKJALI, sujet irakien, demeurant à Baghdad, légalement représenté aux fins des présentes ;
 HANNA SALAMA, sujet palestinien, demeurant à Jérusalem, légalement représenté aux fins des présentes ;
 IBRAHIM EL CHANTY, sujet palestinien, demeurant à Jaffa, légalement représenté aux fins des présentes ;
 CHAWKAT HAMMAD, sujet palestinien, demeurant au Caire ;
 DR. EZZAT TANNOUS, sujet palestinien, demeurant à Jérusalem ;
 MOHAMED BECHIR EL HARIRI, sujet syrien, demeurant à Alexandrie ;
 MOHAMED SALEM SALEM, sujet égyptien, demeurant au Caire ;

toas propriétaires ;

BANQUE MISR, Société Anonyme Egyptienne, ayant siège social au Caire, légalement représentée aux fins des présentes ;
 ARAB BANK, Société Anonyme Palestiniennne, ayant siège social à Jerusalem, légalement représentée aux fins des présentes ;
 ARAB NATIONAL BANK, Société Anonyme Palestiniennne, ayant siège social à Jerusalem, légalement représentée aux fins des présentes ;

pour la constitution d'une Société Anonyme Egyptienne sous la dénomination de: "THE ARAB LAND COMPANY";

Vu les Statuts de la dite Société Anonyme ;
 Vu l'article 40 du Code de Commerce National ;
 Sur la proposition de Notre Ministre des Finances et l'avis conforme de Notre Conseil des Ministres ;

DÉCRÉTONS :

Art. 1.—Les sieurs : CHÉRIF SABRI PACHA, ALI MAHER PACHA, GAMIL MARDAM BEY, CHEIKH YOUSSEF YASSIN, DR. HAFEZ AFIFI PACHA, AHMED HELMI PACHA, ABDEL HAMID CHOUMAN, MOHAMED ALI ALLOUBA PACHA, MAHMOUD CHOUKRI PACHA, TEWFIK DOSS PACHA, HASSAN KAMEL EL CHICHINI PACHA, MAHMOUD ABOUL FATH, MOHAMED FAHMY SOLIMAN BEY, HODA CHARAOUI, ATTIYAT NAMAZI, BAHIYA WAHBA, ABDEL KADER BASH AYYAN, MOHAMED ABDEL RAHMAN NOSSEIR, MOHAMED ATEF EL ATASSY, GAMAL EL HUSSEINY, NAGUIB CHALABI EL DJADER, MAHMOUD EL TABAKJALI, HANNA SALAMA, IBRAHIM EL CHANTY, CHAWKAT HAMMAD, DR. EZZAT TANNOUS, MOHAMED BECHIR EL HARIRI, MOHAMED SALEM SALEM, la BANQUE MISR, l'ARAB BANK et l'ARAB NATIONAL BANK sont autorisés, à leurs risques et périls, sans que le Gouvernement puisse en aucun cas encourir aucune responsabilité par suite de cette autorisation, à former en Egypte une Société Anonyme Egyptienne sous la dénomination de: "THE ARAB LAND COMPANY", à charge par eux de se conformer aux lois et usages du pays, ainsi qu'aux Statuts dont un exemplaire revêtu de leurs signatures est annexé au présent décret.

Art. 2.—La présente autorisation donnée à ladite Société Anonyme n'implique ni responsabilité, ni monopole, ni privilège de la part ou à l'encontre de l'Etat.

Art. 3.—Notre Ministre des Finances est chargé de l'exécution du présent décret.

Fait au Palais de Koubbek, le 28 Ramadan 1366 (15 août 1947).

FAROUK

Par le Roi :

Le Président du Conseil des Ministres p.i.,
 AHMED MOHAMED KHACHABA.

(Traduction)

Le Ministre des Finances,
 ABDEL MEGUID BADR

THE ARAB LAND COMPANY

(Société Anonyme Egyptienne)

PRELIMINARY DEED OF ASSOCIATION

Between the undersigned hereinafter :

SHERIF SABRI PASHA, Egyptian, Cairo.
 ALI MAHER PASHA, Egyptian, Cairo.
 GAMIL MARDAM BEY, Syrian, Damascus, legally represented.
 SHEIKH YOUSSEF YASSIN, Saudi-Arabian, Mecca, legally represented.
 DR. HAFEZ AFIFI PASHA, Egyptian, Cairo.
 AHMED HELMI PASHA, Saudi-Arabian, Jerusalem.
 ABDUL HAMID SHOUMAN, Palestinian, Jerusalem.
 MOHAMMED ALI ALLOUBA PASHA, Egyptian, Cairo.
 MAHMOUD SHOUKRI PASHA, Egyptian, Cairo.
 TEWFIK DOSS PASHA, Egyptian, Cairo.
 HASSAN KAMEL EL SHISRINI PASHA, Egyptian, Cairo.
 MAHMOUD ABUL FATH, Egyptian, Cairo.

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MOHAMMED FAHMY SOLIMAN BEY, Egyptian, Cairo.
 HODA SHARAWI, Egyptian, Cairo.
 ATIYAT NAMAZI, Egyptian, Cairo.
 BAHIYA WAHBA, Egyptian, Cairo.
 Senator ABDUL KADER BASH AYYAN, member of "Maglis el Ayyan", Iraqi, Baghdad.
 MOHAMMED ABDUL RAHMAN NOSSEIR, Egyptian, Cairo.
 MOHAMMED ATEF EL ATASSY, Syrian, Homs, legally represented.
 GAMAL EL HUSSEINY, Palestinian, Jerusalem, legally represented.
 NAGUIB SHALABI EL DJADER, Iraqi, Baghdad, legally represented.
 MAHMOUD EL TABAKDJALI, Iraqi, Baghdad, legally represented.
 HANNA SALAMA, Palestinian, Jerusalem, legally represented.
 IBRAHIM EL SHANTY, Palestinian, Jaffa, legally represented.
 SHAWKAT HAMMAD, Palestinian, Cairo.
 Dr. EZZAT TANNOUS, Palestinian, Jerusalem.
 MOHAMMED BESHIR EL HARIRI, Syrian, Alexandria.
 MOHAMMED SALEM SALEM, Egyptian, Cairo.

all of them landowners.

BANQUE MISR, Société Anonyme Egyptienne, Cairo, legally represented.
 ARAB BANK, Limited Company, Jerusalem, legally represented.
 ARAB NATIONAL BANK, Limited Company, Jerusalem, legally represented.

It has been agreed as follows:

I.—The undersigned have constituted between them an association for the purpose of forming, with the authorisation of the Egyptian Government and in conformity with the Statutes annexed herunto, an Egyptian Limited Liability Company (Société Anonyme Egyptienne) under the name of "THE ARAB LAND COMPANY".

II.—The Company shall transact business in Palestine, with the following objects in view:

- (1) Granting to Arab landowners mortgage-loans on agricultural land, buildings and urban land.
- (2) Granting loans to Arab landowners or farmers to be utilised for the purchase of fertilisers, seeds of all kinds, cattle and agricultural implements.
- (3) Purchasing agricultural land, buildings and urban land, which it shall reclaim and work, thereafter disposing of same by sale to Arabs.
- (4) Granting loans to Arab farmers and Arab co-operative societies for land reclamation purposes.

The Company may also undertake all kinds of financial and commercial transactions connected with aforesaid objects, whether they be related to personal or real estate.

The Company may likewise acquire interest in any form whatsoever in similar concerns or enterprises of a nature to contribute to the realisation of its objects, whether in Egypt or abroad. The Company may amalgamate with such concerns or enterprises, purchase them as a whole or in part, or annex them thereto.

III.—The Head Office of the Company and its domicile shall be at Cairo. The Board of Directors may establish branch offices or agencies in Egypt or abroad.

IV.—The duration of the Company is fixed at 25 (twenty-five) years from the date of promulgation of the Royal Decree authorising its constitution.

Any prorogation of this period should be authorised by a Royal Decree.

V.—The capital of the Company is fixed at L.E. 1,000,000 (one million Pounds Egyptian), divided into 250,000 (two hundred and fifty thousand) nominative shares at L.E. 4 (four Pounds Egyptian) each. Holders should be Arabs subjects of any Member State of the Arab League.

The whole of the capital has been subscribed as follows:

Name	Subscription L.E.	Shares
SHERIF SABRI PASHA	10,000	2,500
ALI MAHER PASHA	1,000	250
GAMIL MARDAM BEY	2,000	500
SHEIKH YOUSSEF YASSIN	4,000	1,000
Dr. HAFEZ ARIFI PASHA	1,000	250
AHMED HELMI PASHA	1,000	250
ABDUL HAMID SHOUMAN	10,000	2,500
MOHAMMED ALI ALLOUBA PASHA	1,000	250
MAHMOUD SHOUKRI PASHA	2,000	500
TEWFIK DOSS PASHA	2,000	500
HASSAN KAMEL EL SHISHINI PASHA	2,000	500
MAHMOUD ABUL FATH	20,000	5,000
MOHAMMED FAHMY SOLIMAN BEY	500	125
HODA SHARAWI	2,000	500
ATIYAT NAMAZI	2,000	500
BAHIYA WAHBA	2,000	500
ABDUL KADER BASH AYYAN	400	100
MOHAMMED ABDUL RAHMAN NOSSEIR	1,000	250
MOHAMMED ATEF EL ATASSY	200	50
GAMAL EL HUSSEINY	400	100
NAGUIB SHALABI EL DJADER	4,000	1,000
MAHMOUD EL TABAKDJALI	2,000	500
HANNA SALAMA	2,000	500
IBRAHIM EL SHANTY	1,000	250
SHAWKAT HAMMAD	1,000	250
Dr. EZZAT TANNOUS	500	125
MOHAMMED BESHIR EL HARIRI	400	100
MOHAMMED SALEM SALEM	1,000	250
BANQUE MISR	318,000	79,500
ARAB BANK	302,800	75,700
ARAB NATIONAL BANK	302,800	75,700
TOTAL	1,000,000	250,000

The whole value of the 250,000 (two hundred and fifty thousand) shares, amounting to L.E. 1,000,000 (one million Pounds Egyptian), has been paid by the subscribers into Banque Misr, Arab Bank and Arab National Bank, each according to his respective subscription.

VI.—The undersigned hereby undertake to proceed with the formalities necessary for the promulgation of the Royal Decree and to complete all the measures required for the valid constitution of the Company.

To this effect, plenary powers are hereby vested in His Excellency Mohammed Ali Alloube Pasha, who is authorised to appoint a substitute, with the object of making all publication and completing all other legal measures, also making such amendments either in the present deed or in the Statutes annexed herunto, as the Egyptian Government may deem fit.

VII.—The undersigned hereby declare that they will conform to the provisions of the decisions of the Council of Ministers dated April 17, 1899, June 2, 1906 and May 21, 1927, published respectively in the "Journal Officiel" of May 1899, June 4, 1906 and June 23, 1927, also to the provisions of all decisions that may subsequently be taken in connection with limited liability companies, which shall be considered as an integral part of these presents.

(Signed in two originals, one for the Company and the other to be deposited at the Secretariate of the Council of Ministers with a view to obtaining the required authorisation.)

(Signatures)

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THE ARAB LAND COMPANY

(Société Anonyme Egyptienne)

COMPANY STATUTES

CHAPTER I

Constitution and Denomination of the Company — Objects — Duration — Head Office

Art. 1.—An Egyptian Limited Liability Company (Société Anonyme Egyptienne) under the name of "THE ARAB LAND COMPANY", has been formed by the holders of the shares created hereinafter.

Art. 2.—The Company shall transact business in Palestine, with the following objects in view:

- (1) Granting to Arab landowners mortgage-loans on agricultural land, buildings and urban land.
- (2) Granting loans to Arab landowners or farmers to be utilised for the purchase of fertilisers, seeds of all kinds, cattle and agricultural implements.
- (3) Purchasing agricultural land, buildings and urban land, which it shall reclaim and work, thereafter disposing of same by sale to Arabs.
- (4) Granting loans to Arab farmers and Arab co-operative societies for land reclamation purposes.

The Company may also undertake all kinds of financial and commercial transactions connected with the aforesaid objects, whether they be related to personal or real estate.

The Company may likewise acquire interest in any form whatsoever in similar concerns or enterprises of a nature to contribute to the realisation of its objects, whether in Egypt or abroad. The Company may amalgamate with such concerns or enterprises, purchase them as a whole or in part, or annex them thereunto.

Art. 3.—The Head Office of the Company and its domicile shall be at Cairo. The Board of Directors may establish branch offices or agencies in Egypt or abroad.

Art. 4.—The duration of the Company is fixed at 25 (twenty-five) years from the date of the promulgation of the Royal Decree authorising its constitution.

Any prorogation of this period should be authorised by a Royal Decree.

CHAPTER II

Capital — Shares

Art. 5.—The capital of the Company is fixed at L.E. 1,000,000 (one million Pounds Egyptian), divided into 250,000 (two hundred and fifty thousand) nominative shares at L.E. 4 (four Pounds Egyptian) each.

Art. 6.—The whole capital has been paid upon subscription.

Art. 7.—Shares shall be nominative and should be held only by Arabs subjects of Member States of the Arab League. The Board of Directors, however, may in exceptional cases approve of certain shares to be transferred to Arabs subjects of countries other than those aforesaid.

Art. 8.—Coupons of shares shall be to bearer.

Art. 9.—Certificates of shares and other documents representative thereof shall be extracted from counterfoil books, each bearing a serial number, signed by two members of the Board of Directors and bearing the stamp of the Company.

Shares shall have coupons bearing a serial number, as well as the number of the share warrant.

Art. 10.—Ownership of shares shall be transferred by entry into a special register kept by the Company after submission of the Instrument of Transfer signed by both transferer and transferee.

The Company shall have the right to ask for the attestation of the signatures of both parties and to demand that their competence and their nationality as Arabs subjects of Member States of the Arab League be legally established.

Certificates attesting the entry of the transfer of shares into the aforesaid register shall bear the signatures of two Members of the Board of Directors.

Art. 11.—In case of transfer of the ownership of shares through inheritance to a person who is not a subject of any of the Member States of the Arab League, or through loss by any shareholder for whatever reason of such citizenship, such person or persons shall immediately cede the ownership of the shares to Arabs subjects of any Member State of the League.

Failing this, the Company shall have the right without previous notice or without taking any judicial proceedings to sell such shares to Arabs for the account of the shareholders and on their responsibility, one month from the date of the publication of a list of numbers of such shares in two Cairo daily papers (one in Arabic and the other in a European language) and in countries of other Member States of the Arab League.

Certificates of shares so sold and other documents relating thereto shall *ipso facto* be null and void.

The Company shall *ipso jure* undertake the transfer of the ownership of such shares to the purchasers and deliver to them new certificates and documents bearing the same serial numbers of those cancelled. The Company shall thereafter pay the price to those whose shares have been sold.

Art. 12.—Shareholders are responsible only for the value of each share they hold. Any further appeal to funds is not permissible.

Art. 13.—Ownership of a share shall imply adherence to the Company's Statutes and decisions of the General Assembly.

Art. 14.—Shares are indivisible. The Company shall recognise only one owner for each share.

Art. 15.—Inheritors or creditors of a shareholder cannot under any pretext cause seals to be affixed to the Company's books, securities or any other assets, or apply for the division of such securities and assets or their sale as a whole in case such division prove impracticable. Nor shall they in any way interfere with the management of the Company. For the exercise of their right, they shall have to rely upon the inventories and the final accounts of the Company, and the decisions of the General Assembly.

Art. 16.—Every share without distinction, entitles its holder to an equal part in the Company's assets and in the distribution of the profits as determined in Chapter VII hereunder.

Art. 17.—Dividends due on shares are payable to the last owner whose name is entered into the Company's register. He alone shall have the right to receive all sums due on shares in the event of a division of the Company's assets. Dividends, however, shall be paid to coupon bearers.

Art. 18.—The capital of the Company may be increased by the issue of new shares of the same nominal value as the original shares, and may likewise be reduced.

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New shares may not be issued below the nominal value of original shares. If issued above the nominal value, the difference shall be carried to the Reserve. The value of additional shares shall be paid in full upon subscription.

Increase or decrease of the capital shall be decided by the General Assembly of shareholders on a proposal by the Board of Directors.

All rules governing original shares shall apply to new shares.

CHAPTER III

Bonds

Art. 19.—The General Assembly may decide upon the issue of bonds of any kind up to the value of the capital paid up as shown by the last ratified final account. The Board of Directors shall, however, lay down all conditions upon which such bonds shall be issued.

CHAPTER IV

Board of directors

Art. 20.—The Company shall be administered by seven members at least, and eighteen at most, to be appointed by the General Assembly.

Notwithstanding the above rule, the first Board has been appointed by the Founders and consists of the following members:

H.E. Dr. Hafez Afifi Pasha, *President*
 H.E. Ali Maher Pasha, *Member*
 H.E. Mohammed Ali Allouba Pasha, *Member*
 H.E. Mahmoud Shoukri Pasha, *Member*
 H.E. Tewfik Doss Pasha, *Member*
 H.E. Hassan Kamel el Shishini Pasha, *Member*
 H.E. Ahmed Helmi Pasha, *Member*
 Mahmoud Abul Fath Bey, *Member*
 Es Sayyed Abdul Hamid Shouman, *Member*
 Es-Sayyed Naguib Shalabi Eldjader, *Member*

The Board of Directors shall always comprise at least three members of Egyptian nationality.

At least 75 per cent of the Company's permanent staff and 90 per cent of the daily paid workers shall likewise have to be Egyptians. These proportions shall have to be observed continually with regard to the salaries and wages paid to Egyptians.

This rule, however, does not apply to the Company's employees attached to branches, agencies and other offices outside the Egyptian Kingdom.

Art. 21.—The members of the Board of Directors shall be appointed for a period of three years, but the first Board appointed in the preceding article shall remain in office for five years, at the expiry of which the whole Board shall be renewed. Thereafter one-third of the members shall be renewed annually. The first two-thirds shall be appointed by ballot; members then shall be renewed by seniority. Should the number of members not be a multiple of three, the complimentary fraction shall be comprised in the last renewal.

Members whose time of office has expired are always eligible for re-election.

Art. 22.—The Board shall have the power to fill any vacancy which may occur during the year. It may also raise the number of members during the year to the limit indicated in Article 20. The Board shall, however, have to do so if the number of members falls below seven.

The Board shall also invariably have the right whenever it deems fit, to appoint new members provided that their number does not exceed half of those in office at the time of the last meeting of the General Assembly, and that the total number of members does not exceed eighteen.

Members appointed as indicated in the preceding two paragraphs shall take up their duties immediately, but their appointment shall have to be confirmed by the General Assembly at its next meeting.

Art. 23.—No member of the Board of Directors shall in the execution of his duties, within the limits of his mandate, incur any personal liability in connection with whatever obligations undertaken by the Company.

Art. 24.—Each member of the Board of Directors shall allot 250 (two hundred and fifty) shares as director's qualification shares. These shares shall be deposited in the Company's safes throughout his membership. He is not entitled in any way to dispose of these shares until his mandate is terminated. They shall be returned to him upon the ratification of the final account of the last financial year during which he has been in office.

Art. 25.—The Board of Directors shall elect a Chairman from among its members. Should the Chairman at any time be absent, the Board shall provisionally appoint one of its members to take the Chair.

The Founders have appointed His Excellency Dr. Hafez Afifi Pasha Chairman to the First Board of Directors.

Art. 26.—A Director may, if necessary, appoint any other member of the Board to be his proxy at any meeting. This member shall have a double vote. No person, however, may act as proxy for more than one member of the Board.

Art. 27.—The Board shall meet at the Company's Head Office as often as shall be required in the interest of the Company on the initiative of the Chairman, or at the request of any other member of the Board.

The Board may also meet at any place other than the Head Office, provided such a meeting be held in Egypt.

Art. 28.—The presence of at least five members of the Board of Directors in person or by proxy is required to form a quorum.

Art. 29.—Resolutions are passed by a majority of votes of the members present and represented. In case of equality of votes, the Chairman or the member acting as Chairman shall have the casting vote.

Art. 30.—Proceedings of the meetings of the Board of Directors, as well as the names of members present, shall be entered into a special Minute Book and shall be signed by the Chairman or the member acting as Chairman, and by at least one of the members present.

All copies thereof and extracts therefrom to be produced before the Courts, or submitted to any other authorities shall be approved and certified as true copy by the Chairman or by the member acting as Chairman.

Art. 31.—The Chairman of the Board of Directors shall represent the Company before the Courts in all legal actions, be the Company appearing as plaintiff or defendant.

Art. 32.—The Board of Directors may appoint from among its members one or more Managing-Directors (Administrateurs-délégués), whose powers shall be defined by the Board. The Board shall also fix the remuneration of such directors.

Art. 33.—The Chairman of the Board of Directors, Managing-Directors and any other member delegated by the Board for the purpose, shall be entitled to sign singly on behalf of the Company.

The Board may, moreover, appoint one or more Managers or attorneys and empower them to sign singly or jointly on behalf of the Company.

Art. 34.—Plenary powers shall be vested in the Board of Directors for the management and control of the Company's business, except in such matters as expressly reserved by these presents for the General Assembly.

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The Board, without any limitation to its powers, shall have the right to purchase and sell all immovable property and property rights, compound or sign acts of arbitration, grant removal of all seizures and release of all foreclosures, mortgages, assignments and registrations, notwithstanding non-payment and non-extinction of debt.

The Secretariate-General of the League of Arab States shall have the right at any time to send a representative to attend the Boards meetings. Such a representative, however, shall have no vote.

Art. 35.—The Board of Directors' remuneration shall be fixed in accordance with the percentage stipulated in Article 57 hereunder.

CHAPTER V

Auditors

Art. 36.—The Company shall have one or two Auditors appointed by the General Assembly. The Auditors should be selected from among Chartered Accountants. They may not be shareholders, but one of them shall have always to be an Egyptian.

This rule notwithstanding, the Founders have appointed the first Auditor in the person of Mte. Zaki Hassar, who shall take up his duties until the first meeting of the General Assembly.

Art. 37.—The Auditor shall control the application of the Company's Statutes. He shall also verify the inventories and final accounts, and shall present a report thereon to the General Assembly.

The account books and all other papers and documents of the Company in general shall be submitted to the Auditor at his request.

The Auditor may at any moment verify the cash and securities of the Company. He may also convene an extraordinary meeting of the General Assembly, in accordance with the stipulations of Article 52 hereunder.

Art. 38.—In case the office of the Auditor is rendered vacant during the year, the Board of Directors shall convene the General Assembly within eight days in order to appoint another Auditor.

Art. 39.—The Auditor shall hold office for one year; he is, however, always eligible for re-election.

Art. 40.—The Auditor shall receive a yearly remuneration, which shall be fixed by the General Assembly. The remuneration of the first Auditor appointed by the Founders of the Company shall, however, be fixed by the Board of Directors.

CHAPTER VI

The general assembly

Art. 41.—The General Assembly, validly constituted, represents the shareholders. It shall be held in Cairo only.

Art. 42.—The General Assembly shall be composed of shareholders who own at least 50 (fifty) shares each.

Every shareholder qualified to attend the meetings of the General Assembly shall have the right to be represented by another shareholder, who should hold at least 50 (fifty) shares.

Every member of the Assembly, as well as every other represented member, shall have one vote only for every 50 (fifty) shares, provided the number of shares in the possession of each does not exceed 5,000 (five thousand) shares, and one vote for every 100 (one hundred) shares of those exceeding the first 5,000 (five thousand) shares.

Art. 43.—No transfer of nominative shares shall be entered into the Company's register from the date of the notice convening the General Assembly until the date of adjournment.

Art. 44.—Invitations to attend the General Assembly shall be through notices published in two Cairo daily newspapers (one in Arabic and the other in a European language), and in countries of other Members States of the Arab League.

Notices convening the General Assembly shall be published twice, with an interval of at least eight days, the latter announcement being at least eight days before the date of the meeting. All such notices shall specify the business to be put before the General Assembly.

Art. 45.—No questions other than those on the Agenda may be discussed by the General Assembly.

Art. 46.—The General Assembly shall be presided over by the Chairman of the Board of Directors, or in his absence by the member of the Board appointed to replace him provisionally.

The Chairman shall appoint a secretary and two scrutineers, subject to the approval of the General Assembly.

Art. 47.—Subject to the provisos of Article 54 hereunder, the General Assembly shall be validly constituted if one fourth at least of the Company's capital is therein represented. Should this minimum not be reached at the first meeting, a further meeting of the General Assembly convened by a second notice issued within the next thirty days shall be valid whatever be the number of shares therein represented.

Resolutions are passed by a majority of votes. In case of equality of votes, the Chairman of the General Assembly shall have the casting vote.

Art. 48.—Minutes shall be kept of all meetings of the General Assembly and entered into a special register signed by the Chairman, the Secretary and at least one of the Scrutineers.

An attendance sheet setting out the names of shareholders present and the number of the shares they represent, together with copies of the newspapers in which the notice convening the meeting was published, shall be attached to the procès-verbal of the meeting.

The proceedings of the General Assembly shall be proved in the Courts or elsewhere by copies thereof or extracts therefrom certified as true copy by the Chairman of the Board of Directors, or by the member of the Board acting in his place.

Art. 49.—All resolutions passed by the General Assembly, in accordance with the Company's Statutes, shall be binding on all shareholders, even those absent, dissenting or under legal disability.

Art. 50.—An ordinary meeting of the General Assembly shall be held annually within the three months following the end of the Company's financial year, at the place and time and on the date fixed in the notice convening the meeting, for hearing in particular the Board's report on the business of the Company, and the Auditor's report, and approving the balance-sheet and the Profit and Loss Account, if necessary.

The meeting shall also fix the dividends to be distributed among shareholders, elect an Auditor, fix his remuneration and elect members of the Board, if necessary.

Art. 51.—An extraordinary meeting of the General Assembly may be convened whenever the Board of Directors find necessary, or upon the request of the Auditor for a special purpose, or a group of shareholders representing at least the tenth part of the Company's capital. In the latter event, the aforesaid shareholders shall before such a request is made, however, prove that they have deposited their shares at the Head Office of the Company, or in one of the banks in Egypt, where they cannot be withdrawn until the termination of the meeting.

Art. 52.—The Auditor, in cases of extreme emergency, may convene a meeting of the General Assembly, in which eventuality he shall himself draw up the Agenda and supervise its publication personally.

Art. 53.—The General Assembly may make any amendments to the Company's Statutes. In particular it may decide:

(a) To increase or reduce the Company's capital, in accordance with the stipulations of Article 18.

(b) To extend or shorten the duration of the Company, as stipulated in Article 4.

(c) To prolong the existence of the Company, despite the loss of half of its capital.

(d) To amalgamate with other similar companies or enterprises, or acquire such, whether they be in Egypt or abroad.

(e) To take part in the working of any concession or business that come under the objects of the Company.

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But in no case whatsoever may the General Assembly decide to change the fundamental objects of the Company or disregard the provisions and regulations governing limited liability companies (sociétés anonymes), referred to in Article 64 hereunder.

Art. 54.—No amendments to the Company's Statutes shall be made except by a decision of the General Assembly at a meeting in which shareholders of three-fourths of the Company's capital are either present or represented. Any resolution for any amendment shall have to be passed by at least half of those who represent the Company's capital.

In case the shareholders present at the meeting do not represent three-fourths of the capital, the General Assembly may by a simple majority of the members present and represented pass a provisional resolution. In this case, a new meeting shall be called. The notice convening such a meeting shall set out the provisional resolutions passed by the first assembly, and these shall become final and executory if they are approved by the second General Assembly at a meeting in which a number of shareholders representing at least one-fourth of its capital should be present.

Any alteration in the Company's Statutes shall be published in the "Journal Officiel", two Cairo daily newspapers (one in Arabic and the other in a European language), and in countries of other Member States of the Arab League.

CHAPTER VII

Financial year — Inventory — Balance-Sheet — Reserve fund — Dividends

Art. 55.—The Financial Year of the Company begins on the first of January and ends on the 31st of December of each year. The first year, however, shall include the period which shall have elapsed between the final constitution of the Company and the 31st of December 1948. The first ordinary meeting of the General Assembly shall be held at the end of that year.

Art. 56.—At the end of each financial year, an inventory of the assets and liabilities of the Company shall be drawn up and approved by the Board of Directors.

The documents showing the final account and the Profit and Loss Account, which should be submitted for approval to the ordinary meeting of the General Assembly shall be held at the disposal of shareholders at the Company's Head Office during the fifteen days preceding the date fixed for the meeting of the General Assembly.

The documents showing the yearly position of the Company (the Balance-Sheet and the Profit and Loss Account, and the Reports of the Board of Directors and those of the Auditor) should be published in full in two Cairo daily newspapers (one in Arabic and the other in a European language), also in countries of other Member States of the Arab League, a fortnight at least, before the date of the meeting.

Art. 57.—The yearly net profits of the Company, after deduction of all general expenses and other duties shall be divided as follows:

(1) A sum of not less than 10 per cent from the profits shall be set aside to form a Reserve Fund. This shall cease when the total of the reserve shall have reached half of the Company's paid up capital, to be resumed in the event of the Reserve Fund being touched.

(2) A first dividend at the rate of five per cent per annum shall be paid to shareholders on the nominal value of shares held by each. In case, however, the profits of one year shall not permit of the payment of this dividend, no claims shall be made for it from the profit of following years.

(3) A sum representing 10 per cent of the balance shall be set aside as remuneration to the members of the Board of Directors. The surplus shall be divided among shareholders as a supplementary dividend, or, on a proposal by the Board of Directors, carried forward to the following year, or allotted for the constitution of an extraordinary reserve or amortization fund.

Art. 58.—Member States of the Arab League guarantee for a period of ten years a minimum profit of five per cent a year on the nominal value of shares forming the principal capital of the Company fixed at 1,000,000 (one million) Egyptian Pounds, in accordance with the decision of the Arab League at its third session (March-April 1946).

Art. 59.—The Reserve Fund, by a decision of the Board of Directors, shall be used in the best interests of the Company.

Art. 60.—Dividends shall be paid to shareholders at such time and place as shall be fixed by the Board of Directors.

CHAPTER VIII

Winding up — Liquidation

Art. 61.—In case of the loss of half of the capital, the Company shall be dissolved before the expiry of its duration, unless otherwise decided by an extraordinary meeting of the General Assembly.

Art. 62.—At the expiry of the duration of the Company, or in case of a dissolution before the fixed duration, the General Assembly, on a proposal by the Board of Directors, shall decide on the mode of liquidation, appoint a liquidator or liquidators, and determine their powers. The appointment of such liquidators shall forthwith terminate the mandate of the Board of Directors.

The General Assembly, however, shall continue to retain its powers during the period of liquidation until the complete discharge of the liquidators.

CHAPTER IX

Disputes

Art. 63.—Disputes concerning the general and collective interests of the Company shall be taken up with the Board of Directors, or one or more of its members, only in the name of the general body of shareholders, and in virtue of a resolution of the General Assembly.

Without prejudice to the application of the stipulations of Article 50, any shareholder desiring to raise such disputes should notify the Board of Directors of his intention at least one month before the meeting of the next General Assembly. The Board shall thereupon insert such a proposal in the Agenda of the meeting.

Should the General Assembly reject the proposal, no shareholder may thereafter again propose it in his own name. Should, however, the proposal be adopted, the General Assembly shall appoint one or more delegates to bring or carry out such a suit, to whom all legal notices shall be addressed.

CHAPTER X

Final Provisions

Art. 64.—The decisions of the Council of Ministers of April 17, 1899, June 2, 1906 and May 31, 1927, published respectively in the "Journal Officiel" of May 6, 1899, June 4, 1906 and June 23, 1927, as well as all subsequent decisions and laws governing Limited Liability Companies (Sociétés Anonymes) shall be considered as an integral part of the present Statutes.

Art. 65.—The present Statutes shall be submitted and published in conformity with the Law.

All expenses incurred in the constitution of the Company shall be charged to the Company's General Expenses Account.

(Signatures).

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11 NOV

1947

PALESTINE
PALESTINE

Registry Number } E10524/5810/21
FROM } I. Higham
No. } Colonial Office
Dated } 7.5.13/47
Received in Registry } to Mr. Beith
7.11.47
11 -

Leak fact company.
R/n E9981/5810/21 & signed that
in paragraph makes no mention of 11/10
of 1817 which reported that the Company's
application for registration had been received
and granted. It follows that HAFEZ AFIFI
PASHA must have been in enquiries
at Cairo.

Last Paper.
10200

(Minutes.)

sent to Cairo
B.M.V. 20

References.

(Print.)

(How disposed of.)

Dft. Blaney
Cairo
✓ Nov 22
S. Higham. 60.
✓ Nov 22

(Action completed.)

J.E.M. 24/11

(Index.)

24
10/9/48

Next Paper.

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Reference:-
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The Church House, ³³ *cut*
Great Smith Street
S.W.1. *E*

7 November, 1947.

My Reference 76513/47

Your Reference

10524
11 NOV

My dear Beith,

Please refer to Foreign Office despatch E 9981/5810/31 of the 31st October, enclosing a copy of a letter sent from the Embassy, Cairo, on the 21st October about the Arab Land Company, and asking for our advice as to the reply to be returned.

I am surprised that Speaight makes no mention in his letter of the High Commissioner's secret telegram No.1817 of the 27th September, which reported that the Company's application for registration had been received and granted. This telegram was repeated by savingram to the British Embassy, Cairo, No.627, and I enclosed a copy for you in my letter of the 6th October.

Since the Company's application has now been granted by the High Commissioner, Hafez Afifi Pasha is not likely to press his enquiries at Cairo.

Yours sincerely,

John H. G. Beith

J.G.S. BEITH, ESQ.

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Registry
No. E10524/5810/31

Top Secret.
Secret.
Confidential.
Restricted.
Open.

Draft.

Draft letter to
Chancery, Cairo.

Copy:

Colonial Office,
Mr. Higham.

*copy of letter
to Co. letter in
E9321*

RECEIVED IN
DIVISION
21 NOV 1947
SENT TO
TYPE 21 11
DESPATCHED

OUT FILE

*20/34
22a*

20 November, 1947.

SECRET

Dear Chancery,

Your letter No. 99/9/47 of
October 21st about the constitution of a
new Arab Land Company.

The Colonial Office have drawn our
attention to the High Commissioner's tele-
gram No. 1817 of September 27th (repeated
as No. 627
to you) which reported that the Company's
application for registration had been
received and granted. *this seems to settle
the matter.*

In case the repetition of this
telegram did not reach you, we enclose a
copy.

Yours ever,

Eastern Department.

do Nov. 20

NOTHING TO BE WRITTEN IN THIS MARGIN.

(13555) W.L. 48998-114 200mm 2/47 G.S.S.: Cp. 620

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Encl

(E 10524/5810/31)

FOREIGN OFFICE, S.W.1.

22nd November, 1947.

SECRET

22nd November, 1947.

Dear Chancery,

Your letter No.99/9/47 of 21st October about the constitution of a new Arab Land Company.

The Colonial Office have drawn our attention to the High Commissioner's telegram No.1817 of 27th September (repeated to you as No.027) which reported that the Company's application for registration had been received and granted. This seems to settle the matter.

In case the repetition of this telegram did not reach you, we enclose a copy.

Yours ever,

EASTERN DEPARTMENT.

The Chancery,
British Embassy,
Cairo.

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